

**CENTRAL CALIFORNIA CONFERENCE  
OF SEVENTH-DAY ADVENTISTS  
PLANNED GIVING AND PROPERTY MANAGEMENT**

**CHURCH LEASE AGREEMENT INSTRUCTIONS**

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**Step One – Church Business Session Approval**

The Central California Conference Property Management Board now requires the local Church Board to recommend to the local church-at-large any lease of church property. This could be on a one-time basis, month-to-month or a longer period such as a year or more. A church business meeting must be held approving the lease. Minutes from both of these meetings should describe the action, show the vote and be signed by the pastor, church clerk and head elder. Please forward to the Central California Conference Property Management Department along with the lease(s) to be signed.

**Step Two – Preparation of Leases**

A minimum of two copies of the Lease Agreement form should be prepared. After careful completion of all blanks, please obtain the signatures of your Tenant, your Church Pastor and Church Clerk on the final page. If both you and your Tenant wish to keep a lease with original signatures please complete a third lease and obtain original signatures on it.

**Step Three – Tenant Requirements**

1. If your church property is leased to another entity, that entity must meet certain qualifications and file an annual statement with your county assessor to protect your church's property tax exemption. Page 2, Item 7, of the lease form requires the Tenant to comply with these requirements. The specific requirements vary depending on the circumstances of the lease, and even in the same circumstances, vary from county to county. We require that you contact Deanna Patton at the Conference office ([559] 347-3112) so she can make sure you are complying with your county's requirements to protect your church's property tax exemption.
2. We require from the tenant at minimum a \$1,000,000 liability insurance policy. This is fairly standard and will protect the tenant should anything happen while on the church property as well as provide protection for the Conference. The original Certificate of Insurance for the \$1,000,000 liability insurance policy must name **Central California Conference of Seventh-day Adventists**, 2820 Willow Avenue, Clovis, CA 93612, as Additional Insured.

**Step Four – Approval by Central California Conference Property Council**

Return all copies of the lease along with (a) Certificate of Insurance, (b) copy of 501(c)(3) status, (c) copy of Organizational Clearance Certificate, and (d) Minutes from Church Board and Church Business Session for final approval.

**For Your Files – Return of Signed Lease**

As the final step, the completed lease(s) will be returned to you for your church files and your tenant. We will retain one original lease in our vault file.

MONTH TO MONTH  
**LEASE AGREEMENT**

This lease is made at Clovis, California, on \_\_\_\_\_, between CENTRAL CALIFORNIA CONFERENCE OF SEVENTH-DAY ADVENTISTS, a California religious corporation, and \_\_\_\_\_

\_\_\_\_\_  
(name of local entity)  
(collectively, "Landlord") and \_\_\_\_\_

\_\_\_\_\_  
("Tenant") who agree as follows:

**RECITALS.**

This lease is made with reference to the following facts and objectives:

- i. Landlord is the owner of that portion of the real property generally known as \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_ (street address, including city)  
County, California ("real property").
- ii. Tenant is willing to lease that portion of the real property described in ¶ 1 below ("premises") from Landlord, and Landlord is willing to lease the premises to Tenant, pursuant to the provisions stated in this lease.
- iii. Tenant wishes to lease the premises for the purposes of using them for \_\_\_\_\_

\_\_\_\_\_  
(state precisely use to be made of premises)

- iv. Tenant has examined the premises and is fully informed of their condition.

**AGREEMENT.**

**1. Description.** Landlord leases to Tenant and Tenant leases from Landlord those portions of the real property generally described as \_\_\_\_\_

\_\_\_\_\_  
(state precisely the portions or areas of the facility the tenant will be using AND THE SPECIFIC DAYS AND TIMES EACH PORTION WILL BE USED)

**2. Term.** The term of this lease shall commence on \_\_\_\_\_, and continue as a month-to-month tenancy until either party elects to terminate the Lease by giving the other party at least thirty (30) days written notice.

**3. Rent.** Tenant shall pay to Landlord as monthly rent, without deduction, setoff, prior notice, or demand the sum of \_\_\_\_\_ DOLLARS, (\$ \_\_\_\_\_) in advance on the \_\_\_\_\_  
(\_\_\_\_\_) day of each month, commencing on \_\_\_\_\_, and continuing during the term. Monthly rent for any partial month shall be prorated at the rate of one-thirtieth (1/30) of the monthly rent per day. All rent shall be paid to \_\_\_\_\_ at the address to which notices to  
(name of local entity)  
Landlord are to be given.

**4. Security Deposit.** On execution of this lease, Tenant shall deposit with Landlord the sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) as a security deposit for the performance by Tenant of the provisions of this lease. If Tenant is in default, Landlord may use the security deposit, or any portion of it, to cure the default or to compensate Landlord for all damage sustained by Landlord resulting from Tenant's default. Tenant shall immediately on demand pay to Landlord a sum equal to the portion of the security deposit expended or applied by Landlord as provided in this paragraph so as to maintain the security deposit in the sum initially deposited with Landlord. If Tenant is not in default at the time Tenant vacates the premises, Landlord will return to Tenant the full amount of the deposit within two weeks thereafter. Landlord's obligations with respect to the security deposit are those of a creditor and not a trustee. Landlord may maintain the security deposit separate and apart from Landlord's general funds or may commingle the security deposit with Landlord's general and other funds. Landlord shall not be required to pay Tenant interest on the security deposit.

**5. Use of Premises.** Tenant shall use the premises for the purposes set forth in ¶iii, above, and for no other use without Landlord's written consent.

**6. Compliance with Laws.** Tenant shall comply with all laws concerning the premises or Tenant's use of the premises. Tenant shall not use the premises in any manner that will constitute waste, nuisance, or unreasonable annoyance (including, without limitation, the use of loudspeakers or sound or light apparatus that can be heard or seen outside the premises) to owners or occupants of adjacent premises or properties.

**7. Property Tax Exemption.** Tenant certifies that: i) Tenant has complied with any and all legal requirements with which Tenant must comply at this time in order to prevent Tenant's use of the premises from causing the premises to lose its property tax exemption under Article XIII of the Constitution of the State of California and §§201 *et seq.* of the California Revenue & Taxation Code; and ii) Tenant shall comply with all such requirements imposed on Tenant during and after the term of this lease.

**8. Maintenance.** Landlord shall, at its own cost and expense, keep the premises reasonably clean and in good condition and repair; provided, however, Tenant shall leave the premises reasonably clean and in good condition and repair after each use by Tenant; provided further, however, any cleaning or repair which may be necessitated by the neglect, omission or act of Tenant, its agents, employees, members or invitees, shall be the responsibility of Tenant. Tenant hereby waives all right to make repairs at the expense of Landlord as provided in California Civil Code §1942 and all rights provided by California Civil Code §1941.

**9. Tenant Not to Make Alterations.** Tenant shall not make any alterations to the premises without Landlord's written consent. Any alterations made shall remain on and be surrendered with the premises on expiration or termination of the term of this lease, except that Landlord may elect, within thirty (30) calendar days before expiration of the term, or within five (5) calendar days after termination of the term, to require Tenant to remove any alterations that Tenant has made to the premises.

If Landlord so elects, Tenant, at its cost, shall restore the premises to the condition designated by Landlord in its election, before the last day of the term, or within thirty (30) calendar days after notice of the election is given, whichever is later. If Tenant makes any alterations to the premises as provided in this paragraph, the alterations shall not be commenced until five (5) calendar days after Landlord has received written notice from Tenant stating the date the installation of the alterations is to commence so that Landlord can post and record an appropriate notice of nonresponsibility. All alterations made by Tenant shall be done in a good and workmanlike manner and comply with all laws, ordinances and regulations, including, without limitation, the procuring of all building and other permits, licenses, approvals and certificates of occupancy and the observance of applicable building, zoning and other code requirements of governmental authorities with competent jurisdiction. Tenant shall not allow any mechanic's lien to attach to the real property by reason of such alterations.

**10. Exculpation of Landlord.** Landlord shall not be liable to Tenant for any damage to Tenant or Tenant's property from any cause. Tenant waives all claims against Landlord for damage to person or property arising for any reason.

**11. Indemnity.** Tenant shall indemnify Landlord against and hold Landlord harmless from all damages arising out of any damage to any person or property occurring in, on, or about the premises in connection with Tenant's use of the premises.

**12. Public Liability and Property Damage Insurance.** Tenant, at its cost, shall maintain public liability and property damage insurance with a single combined single limit of at least ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00) insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use or occupancy of the premises. All such insurance shall insure performance by Tenant of the indemnity provisions of ¶11. Tenant shall provide Landlord with a certificate of such insurance as a condition of this lease. Landlord and Tenant shall both be named as insured or additional insured. Such insurance shall: be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an A Class VII status as rated in the most recent edition of Best's Insurance Reports; be issued as a primary policy; and contain an endorsement requiring thirty (30) days' written notice from the insurance company to Landlord before cancellation or change in the coverage, scope, or amount of any policy. The policy, or a certificate of the policy, together with evidence of payment of premiums, shall be deposited with the Landlord at the commencement of the term, and on renewal of the policy not less than thirty (30) days before expiration of the term of the policy.

**13. Destruction of Premises.** If, during the term, the premises are totally or partially destroyed, rendering the premises totally or partially inaccessible or unusable, either party can terminate this lease immediately by giving notice to the other party.

**14. Condemnation.** If the premises are totally or partially taken by condemnation, this lease shall terminate on the date of taking. Any condemnation award shall belong to and be paid to Landlord.

**15. Assignment, Subletting and Encumbering Prohibited.** Tenant shall not assign or encumber its interest in this lease or in the premises, or sublease all or any part of the premises, or allow any other person or entity to occupy or use all or any part of the premises, without first obtaining Landlord's written consent. Any assignment, encumbrance, or sublease without Landlord's written consent shall be voidable and, at Landlord's election, shall constitute a default.

**16. Involuntary Assignment.** No interest of Tenant in this lease shall be assignable by operation of law (including, without limitation, the transfer of this lease by testacy or intestacy). An involuntary assignment shall constitute a default by Tenant.

**17. Default.** Tenant's failure to perform any provision of this lease, shall constitute a default by Tenant. If Tenant commits a default, then in addition to any other remedy now or later given by law to Landlord, Landlord may terminate Tenant's right to possession of the premises at any time Tenant is in default. Landlord may terminate this lease by giving Tenant the notice and opportunity to cure otherwise required by statute.

**18. Landlord's Right to Cure Tenant's Default.** Landlord, at any time after Tenant commits a default, may cure the default at Tenant's cost. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date this sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

**19. Signage.** Tenant at its cost shall have the right to place, construct, and maintain exterior signs on the premises as set forth in Exhibit "A" or as otherwise agreed to in writing by Landlord. Tenant shall not have the right to place, construct or maintain any other sign, advertisement, awning, banner, or other decoration without Landlord's written consent. Any sign that Tenant has the right to place, construct, and maintain shall comply with all laws, and Tenant shall obtain any approval required by such laws. Landlord makes no representation with respect to Tenant's ability to obtain such approval.

**20. Right of Entry.** Landlord and its authorized representatives shall have the right to enter the premises at all reasonable times during Tenant's occupancy for any reasonable purpose. Landlord shall conduct its activities on the premises as allowed in this paragraph in a manner that will cause the least reasonably possible inconvenience, annoyance, or disturbance to Tenant.

**21. Notice.** Except as otherwise expressly provided by law, any notice, tender, delivery, or other communication under this lease shall be in writing and shall be deemed to be properly given if personally delivered, mailed (by being deposited in the United States mail, duly registered or certified, with postage prepaid) or sent by telephone facsimile machine (FAX) in the manner provided herein. If sent by mail, any notice, delivery, or other communication shall be deemed to have been given on the date indicated on the return receipt signed by the recipient or, if no return receipt is signed within five (5) business days after mailing, on the date of mailing. If sent by telephone facsimile machine, such notice, delivery, or other communication shall be deemed effective or deemed to have been given on the date of sending if the sending machine indicates receipt at that time by the receiving machine. Any such notice, tender, delivery or other communication not hand delivered shall be addressed or sent by telephone facsimile machine as follows:

<b>TENANT:</b> _____	<b>LANDLORD:</b> _____
_____	_____
_____	_____
_____	_____
_____	_____
<b>FAX:</b> _____	<b>FAX:</b> _____
	(Use name, address & FAX number of local entity; include name or title of person to receive notice.)

Either party may change that party's address or telephone facsimile machine number for these purposes by giving written notice of the change in the manner provided in this paragraph.

**22. Waiver.** No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such a right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other late payment of rent or other default. No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the premises, shall constitute an acceptance of the surrender of the premises by Tenant before the expiration of the term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the premises and accomplish a termination of the lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the lease.

**23. Attorneys' Fees.** Whether or not any suit, action, or other dispute resolution process is instituted, if it becomes reasonably necessary for either party to this lease to retain the services of one or more attorneys to procure performance of this lease by the other party, the other party shall pay the attorneys' fees so incurred by the party seeking performance of this lease by the other party. If any action, proceeding (including a bankruptcy proceeding) or other dispute resolution process arising out of or relating to this lease is commenced by any party to this lease, then the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the actual attorneys' fees, costs, and expenses incurred in the action, proceeding, or other dispute resolution process by the prevailing party.

**24. Surrender of Premises.** On termination of this lease, Tenant shall surrender to Landlord the premises and all tenant's improvements and alterations in good condition except as otherwise provided in this lease. Tenant shall remove all its personal property within by that time. Tenant shall perform all restoration made necessary by the removal of any alterations or tenant's personal property by that time. If Tenant fails to surrender the premises to Landlord on termination of this lease, Tenant shall hold Landlord harmless from all damages resulting from Tenant's failure to surrender the premises, including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the premises. Landlord may elect to retain or dispose of in any manner any alterations or tenant's personal property that Tenant does not remove from the premises on expiration of this lease, as allowed or required by this lease by giving at least ten (10) business days' notice to Tenant. Title to any such alterations or tenant's personal property that Landlord elects to retain or dispose of on expiration of the ten (10) business day period shall vest in Landlord. Tenant waives all claims against Landlord for any damage to Tenant resulting from Landlord's retention or disposition of any such alterations or tenant's personal property. Tenant shall be liable to Landlord for Landlord's costs for storing, removing, and disposing of any alterations or tenant's personal property.

**25. Time of Essence.** Time is of the essence of each provision of this lease.

**26. Successors.** This lease shall be binding on and inure to the benefit of the parties and their successors, except as provided in ¶15.

**27. Rent Payable in U.S. Money.** Rent and all other sums payable under this lease must be paid in lawful money of the United States of America.

**28. Status of Parties on Termination of Lease.** If a party elects to terminate this lease as allowed in this lease, on the date the lease terminates, the parties shall be released from further liabilities and obligations and Landlord shall return to Tenant any unearned rent, as long as Tenant is not in default on the date the lease terminates.

**29. Exhibits Incorporated into Lease.** All exhibits referred to in this lease are attached to this lease and incorporated into this lease by reference.

**30. Lease Governed by California Law.** This lease shall be construed and interpreted in accordance with the laws of the State of California.

**31. Entire Agreement.** This lease constitutes the entire agreement between the parties relating to the lease described herein. Any prior agreements, promises, negotiations, or representations relating to this lease not expressly set forth herein are of no force and effect. Any amendment to this lease shall be of no force and effect unless it is in writing and signed Landlord and Tenant.

**32. Provisions Are Covenants and Conditions.** All provisions, whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions.

**33. Captions.** The captions of this lease shall have no effect on its interpretation.

**34. Gender and Number.** As used in this lease, the masculine, feminine, or neuter gender, and the singular or plural number shall each be deemed to include the others unless the context clearly indicates otherwise.

**35. Joint and Several Obligations.** "Party" shall mean Landlord or Tenant; and if more than one person or entity is Landlord or Tenant, the obligations imposed on that party shall be joint and several.

**36. Severability.** The unenforceability, invalidity, or illegality of any provision of this lease shall not render the other provisions unenforceable, invalid, or illegal.

**37. Joint Negotiation and Drafting.** This lease shall be deemed to have been jointly drafted and negotiated by and between the parties. No individual party shall be deemed to have drafted or otherwise written this lease. This lease or any uncertainty or ambiguity herein shall not be construed against any one party but shall be construed as if both the parties jointly prepared this lease.

*(The rest of this page is intentionally left blank.)*

**38. Execution in Counterparts.** This lease may be executed in counterparts with the same effect as if the signatures to this lease were upon the same instrument. Each counterpart will be deemed an original which, taken together, shall constitute a single instrument.

IN WITNESS WHEREOF, the parties have caused this lease to be duly executed by their authorized representatives on the dates and year below written.

CENTRAL CALIFORNIA CONFERENCE OF SEVENTH-DAY  
ADVENTISTS, a California religious corporation,

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
\_\_\_\_\_  
President

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(name of local entity)

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [pastor, principal, etc.])

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [head elder, school board chair, etc.])

**LANDLORD**

\_\_\_\_\_  
\_\_\_\_\_  
(name of tenant)

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [pastor, principal, etc.])

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [head elder, school board chair, etc.])

**TENANT**

LONG TERM  
**LEASE AGREEMENT**

This lease is made at Clovis, California, on \_\_\_\_\_, between CENTRAL CALIFORNIA CONFERENCE OF SEVENTH-DAY ADVENTISTS, a California religious corporation, and \_\_\_\_\_

\_\_\_\_\_  
(name of local entity)  
(collectively, "Landlord") and \_\_\_\_\_

\_\_\_\_\_  
("Tenant") who agree as follows:

**RECITALS.**

This lease is made with reference to the following facts and objectives:

- i. Landlord is the owner of that portion of the real property generally known as \_\_\_\_\_  
(street address, including city)  
\_\_\_\_\_, \_\_\_\_\_ County, California ("real property").
- ii. Tenant is willing to lease that portion of the real property described in ¶1 below ("premises") from Landlord, and Landlord is willing to lease the premises to Tenant, pursuant to the provisions stated in this lease.
- iii. Tenant wishes to lease the premises for the purposes of using them for \_\_\_\_\_

\_\_\_\_\_  
(state precisely use to be made of premises)

- iv. Tenant has examined the premises and is fully informed of their condition.

**AGREEMENT.**

**1. Description.** Landlord leases to Tenant and Tenant leases from Landlord those portions of the real property generally described as \_\_\_\_\_

\_\_\_\_\_  
(state precisely the portions or areas of the facility the tenant will be using AND THE SPECIFIC DAYS AND TIMES EACH PORTION WILL BE USED)

**2. Term.** The term of this lease shall commence on \_\_\_\_\_, and shall expire on \_\_\_\_\_; provided, however, each party shall have the right to terminate this lease upon thirty (30) days written notice to the other party.

**3. Rent.** Tenant shall pay to Landlord as monthly rent, without deduction, setoff, prior notice, or demand the sum of \_\_\_\_\_ DOLLARS, (\$\_\_\_\_\_) in advance on the \_\_\_\_\_  
(\_\_\_\_\_) day of each month, commencing on \_\_\_\_\_, and continuing during the term. Monthly rent for any partial month shall be prorated at the rate of one-thirtieth (1/30) of the monthly rent per day. All rent shall be paid to \_\_\_\_\_ at the address to which notices to  
(name of local entity)  
Landlord are to be given.

**4. Security Deposit.** On execution of this lease, Tenant shall deposit with Landlord the sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_) as a security deposit for the performance by Tenant of the provisions of this lease. If Tenant is in default, Landlord may use the security deposit, or any portion of it, to cure the default or to compensate Landlord for all damage sustained by Landlord resulting from Tenant's default. Tenant shall immediately on demand pay to Landlord a sum equal to the portion of the security deposit expended or applied by Landlord as provided in this paragraph so as to maintain the security deposit in the sum initially deposited with Landlord. If Tenant is not in default at the expiration or termination of this lease, Landlord shall return the security deposit to Tenant. Landlord's obligations with respect to the security deposit are those of a creditor and not a trustee. Landlord may maintain the security deposit separate and apart from Landlord's general funds or may commingle the security deposit with Landlord's general and other funds. Landlord shall not be required to pay Tenant interest on the security deposit.

**5. Use of Premises.** Tenant shall use the premises for the purposes set forth in ¶iii, above, and for no other use without Landlord's written consent.

**6. Compliance with Laws.** Tenant shall comply with all laws concerning the premises or Tenant's use of the premises. Tenant shall not use the premises in any manner that will constitute waste, nuisance, or unreasonable annoyance (including, without limitation, the use of loudspeakers or sound or light apparatus that can be heard or seen outside the premises) to owners or occupants of adjacent premises or properties.

**7. Property Tax Exemption.** Tenant certifies that: i) Tenant has complied with any and all legal requirements with which Tenant must comply at this time in order to prevent Tenant's use of the premises from causing the premises to lose its property tax exemption under Article XIII of the Constitution of the State of California and §§201 *et seq.* of the California Revenue & Taxation Code; and ii) Tenant shall comply with all such requirements imposed on Tenant during and after the term of this lease.

**8. Maintenance.** Landlord shall, at its own cost and expense, keep the premises reasonably clean and in good condition and repair; provided, however, Tenant shall leave the premises reasonably clean and in good condition and repair after each use by Tenant; provided further, however, any cleaning or repair which may be necessitated by the neglect, omission or act of Tenant, its agents, employees, members or invitees, shall be the responsibility of Tenant. Tenant hereby waives all right to make repairs at the expense of Landlord as provided in California Civil Code §1942 and all rights provided by California Civil Code §1941.

**9. Tenant Not to Make Alterations.** Tenant shall not make any alterations to the premises without Landlord's written consent. Any alterations made shall remain on and be surrendered with the premises on expiration or termination of the term of this lease, except that Landlord may elect, within thirty (30) calendar days before expiration of the term, or within five (5) calendar days after termination of the term, to require Tenant to remove any alterations that Tenant has made to the premises. If Landlord so elects, Tenant, at its cost, shall restore the premises to the condition designated by Landlord in its election, before the last day of the term, or within thirty (30) calendar days after notice of the election is given, whichever is later. If Tenant makes any alterations to the premises as provided in this paragraph, the alterations shall not be commenced until five (5) calendar days after Landlord has received written notice from Tenant stating the date the installation of the alterations is to commence so that Landlord can post and record an appropriate notice of nonresponsibility. All alterations made by Tenant shall be done in a good and workmanlike manner and comply with all laws, ordinances and regulations, including, without limitation, the procuring of all building and other permits, licenses, approvals and certificates of occupancy and the observance of applicable building, zoning and other code requirements of governmental authorities with competent jurisdiction. Tenant shall not allow any mechanic's lien to attach to the real property by reason of such alterations.

**10. Exculpation of Landlord.** Landlord shall not be liable to Tenant for any damage to Tenant or Tenant's property from any cause. Tenant waives all claims against Landlord for damage to person or property arising for any reason.

**11. Indemnity.** Tenant shall indemnify Landlord and hold Landlord harmless from all damages arising out of any damage to any person or property occurring in, on, or about the premises in connection with Tenant's use of the premises.

**12. Public Liability and Property Damage Insurance.** Tenant, at its cost, shall maintain public liability and property damage insurance with a single combined single limit of at least ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00) insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use or occupancy of the premises. All such insurance shall insure performance by Tenant of the indemnity provisions of ¶ 11. Tenant shall provide Landlord with a certificate of such insurance as a condition of this lease. Landlord and Tenant shall both be named as insured or additional insured. Such insurance shall: be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an A Class VII status as rated in the most recent edition of Best's Insurance Reports; be issued as a primary policy; and contain an endorsement requiring thirty (30) days' written notice from the insurance company to Landlord before cancellation or change in the coverage, scope, or amount of any policy. The policy, or a certificate of the policy, together with evidence of payment of premiums, shall be deposited with the Landlord at the commencement of the term, and on renewal of the policy not less than thirty (30) days before expiration of the term of the policy.

**13. Destruction of Premises.** If, during the term, the premises are totally or partially destroyed, rendering the premises totally or partially inaccessible or unusable, either party can terminate this lease immediately by giving notice to the other party.

**14. Condemnation.** If the premises are totally or partially taken by condemnation, this lease shall terminate on the date of taking. Any condemnation award shall belong to and be paid to Landlord.

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**16. Involuntary Assignment.** No interest of Tenant in this lease shall be assignable by operation of law (including, without limitation, the transfer of this lease by testacy or intestacy). An involuntary assignment shall constitute a default by Tenant.

**17. Default.** Tenant's failure to perform any provision of this lease, shall constitute a default by Tenant. If Tenant commits a default, then in addition to any other remedy now or later given by law to Landlord, Landlord may terminate Tenant's right to possession of the premises at any time Tenant is in default. Landlord may terminate this lease by giving Tenant the notice and opportunity to cure otherwise required by statute. On termination, Landlord has the right to recover from Tenant the worth, at the time of the award, of unpaid rent that had been earned at the time of termination of this lease and any other amount, and attorneys' fees and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default. "The worth, at the time of the award," as used in paragraph is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge.

**18. Landlord's Right to Cure Tenant's Default.** Landlord, at any time after Tenant commits a default, may cure the default at Tenant's cost. If Landlord, at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date this sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

**19. Signage.** Tenant at its cost shall have the right to place, construct, and maintain exterior signs on the premises as set forth in Exhibit "A" or as otherwise agreed to in writing by Landlord. Tenant shall not have the right to place, construct or maintain any other sign, advertisement, awning, banner, or other decoration without Landlord's written consent. Any sign that Tenant has the right to place, construct, and maintain shall comply with all laws, and Tenant shall obtain any approval required by such laws. Landlord makes no representation with respect to Tenant's ability to obtain such approval.

**20. Right of Entry.** Landlord and its authorized representatives shall have the right to enter the premises at all reasonable times during Tenant's occupancy for any reasonable purpose. Landlord shall conduct its activities on the premises as allowed in this paragraph in a manner that will cause the least reasonably possible inconvenience, annoyance, or disturbance to Tenant.

**21. Notice.** Except as otherwise expressly provided by law, any notice, tender, delivery, or other communication under this lease shall be in writing and shall be deemed to be properly given if personally delivered, mailed (by being deposited in the United States mail, duly registered or certified, with postage prepaid) or sent by telephone facsimile machine (FAX) in the manner provided herein. If sent by mail, any notice, delivery, or other communication shall be deemed to have been given on the date indicated on the return receipt signed by the recipient or, if no return receipt is signed within five (5) business days after mailing, on the date of mailing. If sent by telephone facsimile machine, such notice, delivery, or other communication shall be deemed effective or deemed to have been given on the date of sending if the sending machine indicates receipt at that time by the receiving machine. Any such notice, tender, delivery or other communication not hand delivered shall be addressed or sent by telephone facsimile machine as follows:

<i>TENANT:</i> _____	<i>LANDLORD:</i> _____
_____	_____
_____	_____
_____	_____
_____	_____
FAX: _____	FAX: _____

(Use name, address & FAX number of local entity;  
include name or title of person to receive notice.)

Either party may change that party's address or telephone facsimile machine number for these purposes by giving written notice of the change in the manner provided in this paragraph.

**22. Waiver.** No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such a right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other late payment of rent or other default. No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the premises, shall constitute an acceptance of the surrender of the premises by Tenant before the expiration of the term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the premises and accomplish a termination of the lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the lease.

**23. Attorneys' Fees.** Whether or not any suit, action, or other dispute resolution process is instituted, if it becomes reasonably necessary for either party to this lease to retain the services of one or more attorneys to procure performance of this lease by the other party, the other party shall pay the attorneys' fees so incurred by the party seeking performance of this lease

by the other party. If any action, proceeding (including a bankruptcy proceeding) or other dispute resolution process arising out of or relating to this lease is commenced by any party to this lease, then the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the actual attorneys' fees, costs, and expenses incurred in the action, proceeding, or other dispute resolution process by the prevailing party.

**24. Surrender of Premises.** On expiration of the term, Tenant shall surrender to Landlord the premises and all tenant's improvements and alterations in good condition except as otherwise provided in this lease. Tenant shall remove all its personal property within by that time. Tenant shall perform all restoration made necessary by the removal of any alterations or tenant's personal property by that time. If Tenant fails to surrender the premises to Landlord on expiration of the term, Tenant shall hold Landlord harmless from all damages resulting from Tenant's failure to surrender the premises, including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the premises. Landlord may elect to retain or dispose of in any manner any alterations or tenant's personal property that Tenant does not remove from the premises on expiration or termination of the term, as allowed or required by this lease by giving at least ten (10) business days' notice to Tenant. Title to any such alterations or tenant's personal property that Landlord elects to retain or dispose of on expiration of the ten (10) business day period shall vest in Landlord. Tenant waives all claims against Landlord for any damage to Tenant resulting from Landlord's retention or disposition of any such alterations or tenant's personal property. Tenant shall be liable to Landlord for Landlord's costs for storing, removing, and disposing of any alterations or tenant's personal property.

**25. Holding Over.** If Tenant, with Landlord's written consent, remains in possession of the premises after expiration or termination of the term, or after the date in any notice given by Landlord to Tenant terminating this lease, such possession by Tenant shall be deemed to be a month-to-moth tenancy terminable on thirty (30) calendar days written notice given at any time by either party. All provisions of this lease, shall apply to the month-to-month tenancy.

**26. Time of Essence.** Time is of the essence of each provision of this lease.

**27. Successors.** This lease shall be binding on and inure to the benefit of the parties and their successors, except as provided in ¶15.

**28. Rent Payable in U.S. Money.** Rent and all other sums payable under this lease must be paid in lawful money of the United States of America.

**29. Status of Parties on Termination of Lease.** If a party elects to terminate this lease as allowed in this lease, on the date the lease terminates, the parties shall be released from further liabilities and obligations and Landlord shall return to Tenant any unearned rent, as long as Tenant is not in default on the date the lease terminates.

**30. Exhibits Incorporated into Lease.** All exhibits referred to in this lease are attached to this lease and incorporated into this lease by reference.

**31. Lease Governed by California Law.** This lease shall be construed and interpreted in accordance with the laws of the State of California.

**32. Entire Agreement.** This lease constitutes the entire agreement between the parties relating to the lease described herein. Any prior agreements, promises, negotiations, or representations relating to this lease not expressly set forth herein are of no force and effect. Any amendment to this lease shall be of no force and effect unless it is in writing and signed Landlord and Tenant.

**33. Provisions Are Covenants and Conditions.** All provisions, whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions.

**34. Captions.** The captions of this lease shall have no effect on its interpretation.

**35. Gender and Number.** As used in this lease, the masculine, feminine, or neuter gender, and the singular or plural number shall each be deemed to include the others unless the context clearly indicates otherwise.

**36. Joint and Several Obligations.** "Party" shall mean Landlord or Tenant; and if more than one person or entity is Landlord or Tenant, the obligations imposed on that party shall be joint and several.

**37. Severability.** The unenforceability, invalidity, or illegality of any provision of this lease shall not render the other provisions unenforceable, invalid, or illegal.

**38. Joint Negotiation and Drafting.** This lease shall be deemed to have been jointly drafted and negotiated by and between the parties. No individual party shall be deemed to have drafted or otherwise written this lease. This lease or any uncertainty or ambiguity herein shall not be construed against any one party but shall be construed as if both the parties jointly prepared this lease.

*(The rest of this page is intentionally left blank.)*

**39. Execution in Counterparts.** This lease may be executed in counterparts with the same effect as if the signatures to this lease were upon the same instrument. Each counterpart will be deemed an original which, taken together, shall constitute a single instrument.

IN WITNESS WHEREOF, the parties have caused this lease to be duly executed by their authorized representatives on the dates and year below written.

CENTRAL CALIFORNIA CONFERENCE OF SEVENTH-DAY  
ADVENTISTS, a California religious corporation,

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
\_\_\_\_\_  
President

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(name of local entity)

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [pastor, principal, etc.])

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [head elder, school board chair, etc.])

**LANDLORD**

\_\_\_\_\_  
\_\_\_\_\_  
(name of tenant)

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [pastor, principal, etc.])

Date: \_\_\_\_\_.

By: \_\_\_\_\_  
(signature)  
\_\_\_\_\_  
(print name and title [head elder, school board chair, etc.])

**TENANT**